APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office	JAN 29 1999
Returned to applicant for correction	
Corrected application filed	
Map filed	APR 19 1986 under 53031
*****	**
The applicant Red Rock Mining (USA), Inc. , hereby make s application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated.	
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1. The source of the proposed appropriation is underground	
2. The amount of water applied for is 1.0 cfs second-feet	
(a) If stored in reservoir give number of acre-feet	
3. The water to be used for mining and milling	
4. If use is for:	
(a) Irrigation, state number of acres	to be irrigated
(b) Stockwater, state number and kind	s of animals to be watered
(c) Other use (describe fully under No. 12. "Remarks")	
(d) Power: (1) Horsepower developed	
(2) Point of return of water to stream	
5. The water is to be diverted from its source at the following point NE% SW%, Section 26 T.2 South, R.42 East, MDB&M, at a point from which the NW corner of said Section 26 bears North 30 degrees 21 minutes and 31 seconds West a distance of 3647.4 feet.	
6. Place of Use portion of the NW½ o East, MDB&M	of Section 35, T.2 South, R.42
7. Use will begin about January 1 and end about December 31 , of each year.	
8. Description of proposed works Completed well, pump and distribution system operating under Permit 59089.	
9. Estimated cost of works \$100,000	
10. Estimated time required to construct works a 10.75 inch hole 620 feet in depth, with perforated casing from 408 to 608 feet equipped with pump and motor.	
11. Estimated time required to complete the application of water to beneficial use five years	
12. Remarks: Water will be used for mining purposes including meeting the criteria set by the Division of Environmental Protection for closure and revegetation involved with reclamation of the project. Please refer to Map #53039.	
Ву	Conrad O. Hinshaw, Jr. s/Conrad O. Hinshaw, Jr Red Rock Mining (USA), Inc. P.O. Box 160 Goldfield, Nevada 89013
Compared cms/bk dl/cmf	COLUMN ACCIONAL COLUMN

Protested _____

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance issued under the provisions of NRS 533.371 for a finite period of time. This finite permit will expire on August 5, 2007 and all rights herein will revert back to the source. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the groundwater basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

Monthly records shall be kept of the amount of water pumped from this well and the records submitted to the State Engineer on a quarterly basis within 15 days after the end of each calendar quarter.

(CONTINUED ON PAGE 3)

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The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.0 cubic feet per second, but not to exceed 202.0 acre-feet annually.

Work must be prosecuted with reasonable diligence and be completed on or before:

August 5, 2001

Proof of completion of work shall be filed before: **September 5, 2001**

Water must be placed to beneficial use on or before: August 5, 2007

Proof of the application of water to beneficial use: **Permit Expires**<u>August 5, 2007</u>

Map in support of proof of beneficial use shall be filed on or before: $\underline{\mathbf{N/A}}$

IN TESTIMONY WHEREOF, I, R. MICHAEL TURNIPSEED, P.E.,

State Engineer of Nevada, have hereunto set

State Engineer

my hand and the seal of my office,

this 5th day of August, A.D. 1999

Completion of work filed NOV 1/9 2001

Proof of beneficial use filed

Cultural map filed

Certificate No. ______ Issued